

REMARKS

Claims 1, 7, and 11 have been amended. Claim 5 has been cancelled. New claim 14 has been added. Figure 8 has also been amended. Reexamination and reconsideration of the amended application respectfully is requested.

In the Figures, please amend the legend in Figure 8 to remove the phrase "PRIOR ART". An amended Figure 8 is attached herewith.

In the Office Action, the Examiner has rejected Claims 1-4 and 6-13 under 35 U.S.C. § 102(e) as allegedly being anticipated by Murashima, U.S. Patent 6,088,667.

Applicant respectfully disagrees with the Examiner's conclusions. Applicant claims a unique system and method that reduces the amount of arithmetic circuitry needed for predicting sample values. In Applicant's claimed invention, predicting sample values is accomplished by predicting the first sample value in the frame from at least one sample value of an immediately preceding frame; and using each predicted sample value in the frame, except the last sample value in the frame, in predicting the next sample value in the frame.

Murashima neither discloses nor anticipates the above procedure. Murashima prediction coding method involves deriving the best prediction coefficients for each frame. This is done by calculating a matrix of coefficient values to predict the sample values. Murashima requires the use of all the decoded sample values in a plurality of decoded frames to predict the sample value in the current frame. In contrast, Applicant uses only part of the immediately preceding frame to predict the sample value in the current frame.

In order to further distinguish Applicant's claimed invention from the cited prior art, Applicant has amended independent claims 1, 7, and 11 to include language that all sample values in the frame after the first sample value in the frame are equal to the first sample value in the frame. The Examiner has indicated in the Office Action, that such language would differentiate Applicant's invention from the cited prior art. Thus, Applicant respectfully submits that Claims 1, 7, and 11, and all claims based on these claims are in condition for allowance. Such action is earnestly solicited.

For the above reasons, Applicant believes the rejections under 35 U.S.C. §102(e) have been overcome.

Based on the above, it is submitted that this application is in condition for allowance and such a Notice, with allowed claims 1-4 and 6-14, earnestly is solicited.

If the Examiner believes that a conference would be of value in expediting the prosecution of this application, the Examiner is hereby invited to telephone the undersigned counsel to arrange for such a conference. Should any fee be required, please charge the same to our Deposit Account No. 18-0002 and advise us accordingly.

Respectfully submitted,



Steven M. Rabin - Reg. No. 29,102

RABIN & BERDO, P.C.

Telephone: (202) 371-8976

CUSTOMER NO. 23995

February 12, 2004

SMR:jdm

AMENDMENT

(09/776,903)